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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-954]

Magnesia Carbon Bricks from the People's Republic of China: Preliminary Results and Partial Rescission of the Antidumping Duty Administrative Review; 2014-2015

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the "Department") is conducting an administrative review of the antidumping duty order on Magnesia Carbon Bricks ("MCBs") from the People's Republic of China ("PRC"), for the period of review ("POR") September 1, 2014, to August 31, 2015. The Department preliminarily determines that Fengchi Imp. and Exp. Co., Ltd. of Haicheng City ("Fengchi") and RHI Refractories Liaoning, Co. Ltd. ("RHI") had no reviewable shipments of subject merchandise during the POR. The Department is also preliminarily rescinding this review with respect to Fedmet Resources Corporation ("Fedmet"). Interested parties are invited to comment on these preliminary results.

DATES: Effective **[INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

FOR FURTHER INFORMATION CONTACT: Kenneth Hawkins, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6491.

SUPPLEMENTARY INFORMATION

Background

On September 1, 2015, the Department published in the **Federal Register** an opportunity to request an administrative review of the antidumping duty order on MCBs from the PRC.¹ On September 30, 2015, the Department received a request from Petitioner² to conduct an administrative review of Dashiqiao City Guancheng Refractor Co., Ltd.; Fedmet; Fengchi; Fengchi Mining Co., Ltd. of Haicheng City; Fengchi Refractories Co., of Haicheng City; Jiangsu Sujia Group New Materials Co., Ltd.; Liaoning Fucheng Refractories Group Co., Ltd.; Liaoning Fucheng Special Refractory Co., Ltd.; Liaoning Jiayi Metals & Minerals Co., Ltd.; Puyang Refractories Group Co., Ltd.; RHI; Yingkou Bayuquan Refractories Co., Ltd. (“BRC”); Yingkou Dalmond Refractories Co., Ltd.; Yingkou Guangyang Co., Ltd.; Yingkou Jiahe Refractories Co. Ltd.; Yingkou Kyushu Refractories Co., Ltd.; Yingkou New Century Refractories Ltd.; and Yingkou Wonjin Refractory Material Co., Ltd.³ On November 9, 2015, the Department initiated this review based on these review requests.⁴ On December 8 and 9, 2015, RHI, Fengchi, Fengchi Mining Co., Ltd. of Haicheng City, Fengchi Refractories Co., of Haicheng City, Fedmet, and BRC submitted no shipments letters, stating they made no entries, exports, or sales of subject merchandise into the United States during the POR.⁵

¹ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 80 FR 52741 (Sept. 1, 2015).

² The Petitioner is the Magnesia Carbon Bricks Fair Trade Committee (“the Committee”), an ad hoc association comprised of the following three U.S. producers of magnesia carbon bricks: Resco Products, Inc.; Magnesita Refractories Company; and Harbison Walker International, Inc. (hereinafter “Petitioner”).

³ See “Certain Magnesia Carbon Bricks from the People’s Republic of China: Request for Administrative Review,” dated September 30, 2015.

⁴ See *Initiation of Antidumping Duty Administrative Reviews*, 80 FR 69193 (November 9, 2015) (“*Initiation Notice*”).

⁵ See No Shipments Certification from RHI, dated December 8, 2015, and No Shipment Certifications from Fengchi, Fengchi Mining Co., Ltd. of Haicheng City, Fengchi Refractories Co., of Haicheng City, Fedmet and BRC, dated December 9, 2015.

Scope of the Order

The merchandise subject to the order includes certain MCBs. Certain MCBs that are the subject of this investigation are currently classifiable under subheadings 6902.10.1000, 6902.10.5000, 6815.91.0000, 6815.99.2000, and 6815.99.4000 of the Harmonized Tariff Schedule of the United States (“HTSUS”). While HTSUS subheadings are provided for convenience and customs purposes, the written description is dispositive.⁶

Partial Rescission of the Administrative Review

In its No Shipment Certification, Fedmet stated that it is not a PRC producer or exporter of the subject merchandise but a U.S. importer.⁷ Fedmet cited its entry of appearance and application for business proprietary access to demonstrate its status as an importer.⁸ Based on the information available, the Department preliminarily determines that Fedmet’s entries will be subject to the appropriate exporter’s cash deposit requirements and assessment rates, as outlined below. Accordingly, we are preliminarily rescinding this review for Fedmet.

Separate Rate Status

For the 17 companies for whom we are not rescinding this review, we preliminarily determine that only Fengchi and RHI demonstrated their continued eligibility for a separate rate because, as discussed below, they demonstrated that they had no shipments during the POR and thus will maintain their separate rate status from the date of initiation of this administrative review.

⁶ For a full description of the scope of the order, see Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations to Paul Piquado, Assistant Secretary for Enforcement and Compliance, “Decision Memorandum for the Preliminary Results of the 2014-2015 Antidumping Duty Administrative Review: Magnesia Carbon Bricks from the People’s Republic of China,” (“Preliminary Decision Memorandum”) dated concurrently with and hereby adopted by this notice.

⁷ See Fedmet’s No Shipments Certification, dated December 9, 2015.

⁸ *Id.* See also “Magnesia Carbon Bricks from the People’s Republic of China, Case No. A-570-954: Entry of Appearance and APO Application,” dated November 10, 2015.

The remaining companies did not submit a separate rate application or certification. Therefore, the following companies have not established their eligibility for a separate rate, and the Department preliminarily determines that they are considered part of the PRC-wide entity: Dashiqiao City Guancheng Refractor Co., Ltd.; Fengchi Mining Co., Ltd. of Haicheng City; Fengchi Refractories Co., of Haicheng City; Jiangsu Sujia Group New Materials Co., Ltd.; Liaoning Fucheng Refractories Group Co., Ltd.; Liaoning Fucheng Special Refractory Co., Ltd.; Liaoning Jiayi Metals & Minerals Co., Ltd.; Puyang Refractories Group Co., Ltd.; BRC;⁹ Yingkou Dalmond Refractories Co., Ltd.; Yingkou Guangyang Co., Ltd.; Yingkou Jiahe Refractories Co. Ltd.; Yingkou Kyushu Refractories Co., Ltd.; Yingkou New Century Refractories Ltd.; and Yingkou Wonjin Refractory Material Co., Ltd.

The Department's policy regarding conditional review of the PRC-wide entity applies to this administrative review.¹⁰ Under this policy, the PRC-wide entity will not be under review unless a party specifically requests, or the Department self-initiates, a review of the entity. Because no party requested a review of the PRC-wide entity in this review, the PRC-wide entity is not under review and therefore its rate is not subject to change. The rate previously established for the PRC-wide entity in this proceeding is 236 percent.¹¹

⁹ Although BRC submitted a no shipments certification, it remains part of the PRC-wide entity. *See Certain Magnesia Carbon Bricks From the People's Republic of China: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review; 2010–2011*, 78 FR 22230, 22231 (April 15, 2013).

¹⁰ *See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963 (November 4, 2013).

¹¹ *See Certain Magnesia Carbon Bricks From the People's Republic of China: Final Results and Final Partial Rescission of the Antidumping Duty Administrative Review; 2012–2013*, 80 FR 19961, 19962 (April 14, 2015).

Preliminary Determination of No Shipments

Fengchi and RHI submitted timely-filed certifications that they had no shipments of subject merchandise to the United States during the POR.¹² The Department sent inquiries to U.S. Customs and Border Protection (“CBP”) to confirm the no shipments responses received from these companies.¹³ We received no contradictory information from CBP indicating that there were suspended entries of subject merchandise into the United States exported by these companies. Therefore, we preliminarily determine that Fengchi and RHI had no shipments of subject merchandise during the POR.

Consistent with the Department’s practice in nonmarket economy cases, the Department finds that it is appropriate not to rescind the review, in part, in these circumstances, but rather to complete the review with respect to these companies and issue appropriate instructions to CBP based on the final results of the review.¹⁴

Methodology

The Department conducted this review in accordance with section 751(a)(1)(B) of the Tariff Act of 1930, as amended (the “Act”). For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.¹⁵ The Preliminary Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance’s Antidumping and Countervailing Duty Centralized Electronic Service System (“ACCESS”). ACCESS is available to registered users at <http://access.trade.gov>, and is available to all parties in the Central Records Unit, room B8024 of the main Department of

¹² *See* No Shipment Certification from RHI, dated December 8, 2015, and No Shipment Certifications from Fengchi, dated December 9, 2015.

¹³ *See* Customs No Shipments Inquiry, dated February 12, 2016.

¹⁴ *See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694, 65694-95 (October 24, 2011) (*NME Assessment Policy*).

¹⁵ A list of topics discussed in the Preliminary Decision Memorandum is provided at Appendix I to this notice.

Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the internet at <http://www.trade.gov/enforcement/>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Results of Review

The Department preliminarily determines that the following weighted-average dumping margin exists for the period September 1, 2014, through August 31, 2015:

Exporter	Weighted-Average Dumping Margin (percent)
PRC-Wide Entity	236.00

*Public Comment and Opportunity to Request a Hearing*¹⁶

Interested parties may submit case briefs within 30 days after the date of publication of these preliminary results of review.¹⁷ Rebuttals to case briefs, which must be limited to issues raised in the case briefs, must be filed within five days after the time limit for filing case briefs.¹⁸ Parties who submit arguments are requested to submit with the argument (a) a statement of the issue, (b) a brief summary of the argument, and (c) a table of authorities.¹⁹ Parties submitting briefs should do so pursuant to the Department's electronic filing system, ACCESS.

¹⁶ Normally, the Department discloses to interested parties the calculations performed in connection with the preliminary results of review within five days of the date of publication of the notice of preliminary results in the *Federal Register*, in accordance with 19 CFR 351.224(b). However, because the Department has preliminarily determined to rescind this review with respect to Fedmet and that Fengchi and RHI had no shipments during the POR, and because all other companies subject to this review are receiving the PRC-wide entity rate, there are no calculations to disclose.

¹⁷ See 19 CFR 351.309(c)(1)(ii).

¹⁸ See 19 CFR 351.309(d).

¹⁹ See 19 CFR 351.309(c)(2), (d)(2).

Any interested party may request a hearing within 30 days of publication of this notice.²⁰ Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs.²¹ If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue NW, Washington, DC 20230.²²

The Department intends to issue the final results of this administrative review, which will include the results of our analysis of any issues raised in case briefs, within 120 days of publication of these preliminary results in the **Federal Register**, unless extended, pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended ("the Act").

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.²³ The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review. We intend to instruct CBP to liquidate entries containing subject merchandise exported by the PRC-wide entity at the current rate for the PRC-wide entity (*i.e.*, 236 percent).

The Department announced a refinement to its assessment practice in NME cases. Pursuant to this refinement in practice, for entries that were not reported in the U.S. sales data submitted by companies individually examined during the administrative review, the Department will instruct CBP to liquidate such entries for the PRC-wide entity. Additionally, if the Department determines that an exporter had no shipments of the subject merchandise, any

²⁰ See 19 CFR 351.310(c).

²¹ *Id.*

²² See 19 CFR 351.310(d).

²³ See 19 CFR 351.212(b).

suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's cash deposit rate) will be liquidated at the rate for the PRC-wide entity.²⁴ The final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future cash deposits of estimated duties, where applicable.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this review for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by sections 751(a)(2)(C) of the Act: (1) For any companies listed that have a separate rate, the cash deposit rate will be that established in the final results of this review (except, if the rate is zero or *de minimis*, then zero cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be that for the PRC-wide entity; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during the POR. Failure to comply with this

²⁴ For a full discussion of this practice, *see NME Assessment Policy*.

requirement could result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

These preliminary results are being issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(4).

Dated: September 1, 2016.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum:

1. Summary
2. Case History
3. Scope of the Order
4. Discussion of the Methodology
 - a. Non-Market Economy Status
 - b. Companies that Did Not Establish Their Eligibility for a Separate Rate
 - c. Preliminary Determination of No Shipments
 - d. Preliminary Partial Rescission of Review
5. Recommendation

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